

WHEN RECORDED RETURN TO:

Freeman Law PLLC  
6909 East Main Street  
Scottsdale, Arizona 85251  
Attn: Laura Bray

**ROAD CONSTRUCTION AND RECIPROCAL EASEMENT AGREEMENT**

THIS ROAD CONSTRUCTION AND RECIPROCAL EASEMENT AGREEMENT ("**Agreement**") is entered into as of FEBRUARY 21, 2014 ("**Effective Date**"), by and among: (i) TLC PC LAND INVESTORS LLC, an Arizona limited liability company ("**TLC**"); (ii) PINNACLE PINES COMMUNITY ASSOCIATION, an Arizona non-profit corporation ("**Association**"); and (iii) PINNACLE DEVCO, LTD., an Arizona corporation ("**Developer**").

**RECITALS**

A. TLC owns the real property described on Exhibit A to this Agreement ("**TLC Property**"). The TLC Property consists of undeveloped land within the Estates at Pine Canyon - Unit One ("**Pine Canyon**").

B. The Association owns the real property described on Exhibit B to this Agreement ("**Association Property**"). The Association Property consists of undeveloped Common Area within Pinnacle Pines - Unit 1 ("**Pinnacle Pines**").

C. On the terms and subject to the conditions set forth in this Agreement, TLC and the Association desire to: (i) permit Developer to construct and install roads, edge improvements and utility infrastructure on portions of the TLC Property and the Association Property; and (ii) create reciprocal access easements over the resulting Roadways (as defined below).

**AGREEMENT**

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Roadway Properties.

a. *TLC Roadway Property.* As used in this Agreement, the term "**TLC Roadway Property**" shall mean the 55 foot right-of-way and adjacent *cul-de-sac* which is located on the TLC Property and specifically described and depicted on Exhibit C.

b. *Association Roadway Property.* As used in this Agreement, the term "**Association Roadway Property**" shall mean the 35 foot right-of-way which is located on the Association Property and specifically described and depicted on Exhibit D.

c. *Roadways.* As used in this Agreement, the term "**Roadways**" shall mean, collectively, the Association Roadway Property and the TLC Roadway Property.

2. Roadway Improvements – Design & Engineering. Developer, at Developer's sole cost and expense, shall design and engineer all improvements (collectively, "**Roadway Improvements**") that will be installed on or under the Roadways in accordance with this Agreement. The Roadway Improvements will include roads, edge treatments (curb, gutter, sidewalks, etc.), and underground utilities. The Roadway Improvements on the TLC Roadway Property will be designed and engineered to: (i) meet all City of Flagstaff ("**City**") requirements for the TLC Dedication (defined below); and (ii) accommodate TLC's anticipated future development of the TLC Property, subject to the terms and conditions set forth herein, including changes set forth in TLC's Owner Response (defined below), if any.

3. Temporary Easements - Design & Engineering. The Association and TLC hereby grant Developer a temporary easement ("**Design Easement**") over the Association Property and the TLC Property for the limited purpose of designing and engineering the Roadway Improvements. The Design Easement will commence on the Effective Date and continue through the earlier to occur of (i) the issuance of the respective Acceptance Notices (defined below) by the Association and TLC; or (ii) Design Easement Termination Date (as defined below). Developer will not conduct any invasive testing, studies or engineering on, or cause any damage to, either the Association Property or the TLC Property without, in each instance, obtaining the prior written consent of the Association or TLC, as the case may be, which consent will not be unreasonably withheld conditioned or delayed. The Design Easement will be subject to the Temporary Easement Requirements (as defined below).

4. Design Approval Timelines & Conditions Precedent to Construction. The design and engineering of the Roadway Improvements will be subject to the following timeline and conditions precedent:

a. *Outside Design Date.* The Association, TLC and Developer will work together in good faith to complete the design and engineering of the Roadway Improvements by August 30, 2014 ("**Outside Design Date**"); provided, however that neither TLC nor the Association shall have any obligation to incur any costs with respect thereto. The Outside Design Date may be extended by the mutual written agreement of the parties.

b. *Owner Approval Period.* Notwithstanding anything to the contrary contained in this Agreement, TLC and the Association's respective Owner Approvals (defined below) by the Owner Approval Date (defined below), are conditions precedent to the construction of the Roadway Improvements. The Owner Approval and Owner Response (defined below) periods provided below are collectively referred to as the "**Owner Approval Period**".

i. *Owner Approvals.* When, in the opinion of Developer, the plans, specifications, construction drawings and other documents relating to the Roadway Improvements (collectively, "**Plans**") are substantially complete, Developer will deliver written notice to the Association and TLC, which shall include a copy of each of the Plans to be reviewed thereby ("**Plan Completion Notice**"). The Association and TLC will then have ten (10) business days after receipt of the Plan Completion Notice to review the Plans and submit written notice of their respective approval of the Plans (collectively, "**Owner Approval**"), which approval shall be granted or withheld in their sole and absolute discretion ("**Owner Approval Date**"). If either the Association or TLC does not submit its respective Owner Approval or Owner Response (defined below) by the Owner Approval Date, such party will be deemed to have granted its respective Owner Approval. The Owner Approval Date may be extended by the mutual written agreement of the parties.

ii. *Owner Response/Termination of Agreement and Design Easement.* If either the Association or TLC does not agree to provide their respective Owner Approval, the Association and/or TLC, as the case may be, shall deliver a written response ("**Owner Response**") to Developer by the Owner Approval Date, specifying the defects and/or changes to the Plans. If an Owner Response is delivered by either the Association or TLC, Developer shall either: (i) complete the specified work or modifications suggested by the Owner Response and issue a new Plan Completion Notice; or (ii) contest the Owner Response, in which case the parties will work in good faith to resolve their differences on an expedited basis and in all cases within ten (10) business days. If the parties cannot resolve their differences within the referenced ten (10) business day period then this Agreement and the Design Easement will terminate.

c. *City Approval.* At all times during the term of this Agreement, including but not limited to the Owner Approval Period, TLC and Developer will work together in good faith to obtain City approval of the Roadway Improvements ("**City Approval**") by the Outside Design Date.

d. *Pinnacle Development Approval.* Developer will work in good faith to obtain City approval of (1) the Final Plat for Pinnacle Pines Unit 2, and (2) the Association Roadway Property as a second point of egress for Pinnacle Pines Units 1 and 2 (collectively, "**Pinnacle Development Approval**") by the Outside Design Date.

e. *Approved Plans.* The Plans as approved pursuant to the Owner Approvals, Pinnacle Development Approval and the City Approval will be referred to collectively in this Agreement as the "**Approved Plans**".

f. *Termination of Agreement and Design Easement Termination.* The City Approval and Pinnacle Development Approval (collectively, "**Required Approvals**") are conditions precedent to the construction of the Roadway Improvements. If the Required Approvals do not occur by the Outside Design Date (as may be extended by the

written agreement of the parties), then this Agreement and the Design Easement shall terminate ("**Design Easement Termination Date**"). On the Design Easement Termination Date or if this Agreement or the Design Easement is terminated for any other reason pursuant to the terms of this Agreement, then Developer, at its sole cost, shall promptly record Notices of Termination of this Agreement, as applicable, and any easements created by this Agreement and, subject to the Easement Requirements intended to survive termination, no party shall have any further obligation under this Agreement. In the event Developer fails to record such Notices of Termination within five (5) days after written request by either TLC or the Association, TLC and/or the Association may record such Notices of Termination and Developer shall be obligated to promptly reimburse both of them for all costs incurred with respect to such recording including, without limitation, any recording charges and reasonable attorneys' fees.

5. Roadway Improvements – Construction. Following the Required Approvals, Developer, at Developer's sole cost and expense, shall work diligently to permit, construct and install the Roadway Improvements in a good, workmanlike and lien-free manner and in accordance with the Approved Plans and all applicable laws, regulations and ordinances. Any minor change(s) to the Approved Plans will be subject to the prior approval of the Association and TLC, which approval will not be unreasonably withheld, delayed or conditioned. Any material change(s) to the Approved Plans will be subject to the prior approval of the Association, TLC and, if applicable, the City, which approval may be withheld in the parties' respective sole discretion. All Roadway Improvements will include a two (2) year warranty in favor of Developer, TLC and the Association, and each of their successors and assigns, covering materials and workmanship. The Association and TLC will have the right to periodically inspect the Roadway Improvements during the course of construction. Prior to commencing construction, Developer will provide TLC with a construction completion bond covering the Roadway Improvements, in form and substance reasonably acceptable to TLC.

6. Temporary Easements - Construction. The Association and TLC hereby grant Developer a temporary easement ("**Construction Easement**") over those portions of the Association Property and the TLC Property which are reasonably necessary for access and construction of the Roadway Improvements for the limited purpose of constructing and installing the Roadway Improvements; provided, that both TLC and the Association shall have the right to reasonably limit access to or use of portions of the TLC Property and Association Property so that the construction work does not unreasonably interfere with their use, development or improvement thereof. The Construction Easement will commence on the date all Required Approvals are obtained and continue through the issuance of: (i) the respective Acceptance Notices by the Association and TLC; and (ii) the Final City Acceptance but in all events the Construction Easement shall terminate on July 1, 2015, without any further notice or approval. The Construction Easement will be subject to the Temporary Easement Requirements.

7. Temporary Easement Requirements. Developer shall: (i) maintain, or cause to be maintained, commercial general liability insurance, in an amount not less than Two Million Dollars (\$2,000,000) per occurrence, covering all activities associated with the design and/or construction of the Roadway Improvements; (ii) cause the Association and TLC to be named as additional insureds on such policy and provide a certificate of insurance confirming the same prior to entry onto the TLC Property or the Association Property and in all instances within ten (10) days following recordation of this Agreement; (iii) at all times during the effectiveness of this Agreement maintain a clean and neat worksite; and (iii) on the earlier of termination of this Agreement or the Construction Easement and after completion of the Roadway Improvements remove all waste materials, rubbish and debris from and about the Roadways, the TLC Property and the Association Property as well as all tools, appliances, construction equipment and machinery, and surplus materials, and shall leave the Roadways clean and ready for use as provided herein and leave the TLC Property and the Association Property in substantially the same condition as on the date of this Agreement. Developer shall not permit any hazardous substances to be stored, brought onto or released on or about either the Association Property or the TLC Property. The requirements set forth in the prior two sentences (collectively, "**Temporary Easement Requirements**") shall survive the termination of this Agreement. Developer shall indemnify, defend and hold the Association and TLC harmless for, from and against any and all causes of action, damages, claims, liabilities, liens, fines, losses, costs and expenses (including, without limitation, reasonable attorneys' fees and costs) which may be incurred by, or claimed or asserted against, the TLC, the Association, their members, lenders, officers, directors, employees, agents and representatives, on account of or arising out of the acts or omissions of Developer or Developer's agents, employees or contractors or any breach of Developer's obligations pursuant to this Agreement. The foregoing indemnity shall also survive and continue in full force and effect notwithstanding the termination of this Agreement or any easement provided hereunder.

8. Completion & Acceptance of Roadway Improvements.

(a) *Owner Acceptance.* Upon substantial completion of the Roadway Improvements in accordance with the Approved Plans and applicable City requirements, including the City's requirements to accept the TLC Dedication (as defined below), Developer will deliver written notice ("**Completion Notice**") to the Association and TLC. The Association and TLC will then have ten (10) business days to inspect and confirm Developer's work and confirm the City is prepared to accept the TLC Dedication (as defined below). If the Association and TLC agree the Roadway Improvements have been substantially completed in accordance with the Approved Plans, the Association and TLC shall deliver written notice ("**Acceptance Notice**") to Developer. If either the Association or TLC do not agree the Roadway Improvements have been substantially completed in accordance with the Approved Plans, the Association and/or TLC, as the case may be, shall deliver written notice ("**Rejection Notice**") to Developer specifying the defects. If a Rejection Notice is delivered by either the Association or TLC, Developer

shall either: (i) complete the specified work or modification suggested and issue a new Completion Notice; or (ii) contest the Rejection Notice, in which case the parties will work in good faith to resolve their differences on an expedited basis and in all cases within ten (10) business days. If the parties cannot resolve their differences within referenced ten (10) business day period the matter will be resolved in accordance with the Disputes provision of this Agreement.

(b) *City Acceptance.* Upon issuance of an Acceptance Notice by TLC and the Association, Developer shall, at its sole cost and expense, obtain all required approvals and post any required financial assurances and/or provide any and all warranties required for the City to accept the TLC Dedication ("**Final City Acceptance**") and shall take all action necessary to cause the City to complete acceptance of the TLC Dedication.

9. Post Acceptance Easements & Obligations.

a. *Repair & Maintenance – TLC Roadway Property.* Following the issuance of an Acceptance Notice by TLC with respect to the Roadway Improvements located on the TLC Roadway Property (collectively, "**TLC Roadway Improvements**"), and until such time as the TLC Dedication (defined below), subject to Developer's warranty obligations, all repair and maintenance of the TLC Roadway Improvements shall be the sole and exclusive obligation of the Association.

b. *Repair & Maintenance – Association Roadway Property.* Following the issuance of an Acceptance Notice by the Association with respect to the Roadway Improvements located on the Association Roadway Property (collectively, "**Association Roadway Improvements**"), and subject to Developer's warranty obligations, all repair and maintenance of the Association Roadway Improvements shall be the sole and exclusive obligation of the Association.

c. *Access & Maintenance Easements.* Upon the issuance of an Acceptance Notice by TLC (with respect to the TLC Roadway Improvements) and issuance of an Acceptance Notice by the Association (with respect to the Association Roadway Improvements), and until such time as the TLC Dedication (defined below), the Association shall be granted a non-exclusive easement ("**Association Permanent Easement**") over the TLC Roadway Property for: (i) pedestrian and vehicular ingress and egress (benefiting all homeowners, associations and clubs in the Pinnacle Subdivision, their successors and assigns, and their respective tenants, customers, guests, employees, agents and other invitees); and (ii) repair and maintenance pursuant to Paragraph 9(a), above. Nothing contained in this Agreement shall limit or otherwise affect TLC's rights to use the TLC Roadway Property for uses consistent with TLC's use or development of the TLC Property. The Association Permanent Easement shall run with the TLC Roadway Property and be binding on TLC's successors and assigns, subject only to termination as otherwise provided in this Agreement.

d. *TLC Dedication.* Subject to Developer's obligation to obtain the Final City Acceptance, TLC shall dedicate the TLC Roadway Property and the TLC Roadway Improvements to the City as a public right-of-way pursuant to recordation of the dedication deed to the City on or before the recordation of the Final Plat for Pinnacle Pines Unit 2 ("**TLC Dedication**"). Upon the TLC Dedication, the Association Permanent Easement and the Association's repair and maintenance obligations with respect to the TLC Roadway Improvements shall terminate.

e. *Relocation of TLC Permanent Easement.* Until such time as the TLC Dedication, TLC shall have the right, at its sole cost and expense, to adjust and/or relocate the Association Permanent Easement and the TLC Roadway Improvements to accommodate development of the TLC Property; provided, however, no adjustment or relocation may occur unless or until: (i) adjustment or relocation is approved by the City; and (ii) the Association's replacement and/or modified access remains substantially the same. If an adjustment or relocation occurs, TLC shall commence and complete the work in a manner that creates minimal disruption for the Association and its invitees.

f. *Association Easement.* Upon the issuance of an Acceptance Notice by the Association with respect to the Association Roadway Improvements, TLC shall be granted a non-exclusive easement ("**TLC Permanent Easement**") over the Association Roadway Property (connecting to East Sterling Lane and adjacent roadways owned by the Association as Common Areas and connecting to existing and/or future public roadways for pedestrian and vehicular ingress and egress) (benefiting all homeowners, associations and clubs in Pine Canyon, their successors and assigns, and their respective tenants, customers, guests, employees, agents and other invitees). The TLC Permanent Easement shall run with the Association Roadway Property and be binding on the Association's successors and assigns, subject only to termination as otherwise provided in this Agreement.

g. *Pinnacle Public Access Easement.* Upon the issuance of an Acceptance Notice by the Association (with respect to the Association Roadway Improvements) and issuance of an Acceptance Notice by TLC (with respect to the TLC Roadway Improvements), the general public shall be granted a non-exclusive easement ("**Pinnacle Public Access Easement**") over the Association Roadway Property (connecting to East Sterling Lane and adjacent roadways owned by the Association as Common Areas and connecting to existing and/or future public roadways for pedestrian and vehicular ingress and egress). The Public Access Easement shall run with the Association Roadway Property and be binding on the Association's successors and assigns, subject only to termination as otherwise provided in this Agreement.

h. *Relocation of Association Permanent Easement.* The Association shall have the right, at its sole cost and expense, to adjust and/or relocate the TLC

Permanent Easement and the Association Roadway Improvements to accommodate development of Pinnacle Pines; provided, however, no adjustment or relocation may occur unless or until: (i) adjustment or relocation is approved by the City; and (ii) TLC's access replacement and/or modified access remains substantially the same. If an adjustment or relocation occurs, the Association shall commence and complete the work in a manner that creates minimal disruption for TLC and its invitees.

10. Rights Appurtenant. None of the easements or rights established herein may be transferred, assigned, or encumbered, except as an appurtenance to the parcel benefited thereby. With respect to the easements and rights under this Agreement, the parcel which is benefited shall constitute the dominant estate and the parcel which is burdened shall constitute the servient estate.

11. Run With The Land. The grant of reciprocal easements and the other provisions hereof shall run with the land and be binding on each of the TLC Property and the Association Property, the parties hereto, and their respective successors and assigns.

12. No Dedication: Third Parties. With the exception of the TLC Dedication and the Pinnacle Public Access Easement, nothing contained herein shall be construed as creating any rights on the part of the general public and the provisions hereof are not intended and do not constitute a dedication for public use. Nothing contained herein is intended to, or shall be for the benefit of any person, firm, organization, corporation or any other entity not a party hereto, and no person, corporation, partnership, limited liability company, association or other entity other than the parties hereto shall have any right or cause of action hereunder.

13. Disputes.

a. Mediation. If a dispute arises under this Agreement, the parties shall submit the matter to mediation. A mediator shall facilitate negotiations between the parties, with a view towards resolving such dispute. The mediator will not have power to decide how to resolve the dispute, but will use recognized, accepted mediation techniques to assist the parties in making that decision. All mediation proceedings shall be held in Flagstaff, Coconino County, Arizona.

b. Binding Arbitration. If the dispute is not resolved by mediation, the matter shall be submitted to binding arbitration. Arizona Law shall apply to the arbitration proceeding and the parties agree to abide by the rules of the American Arbitration Association, but are not required to conduct the arbitration through the American Arbitration Association. Fees and costs for the mediation and arbitration, if necessary, shall be computed and allocated between the parties in accordance with the rules of Arizona Revised Statutes. All arbitration proceedings shall be held in Flagstaff, Coconino County, Arizona.

14. Integration: Modification. This Agreement constitutes the entire



agreement among the parties hereto pertaining to the subject matter hereof and all prior or contemporaneous agreements and understandings, oral or written, are hereby superseded and merged herein. The provisions hereof may be abrogated, modified, rescinded or amended in whole or in part only by written instrument executed by the parties hereto and recorded with the County Recorder for Coconino County, Arizona.

15. No Joint Venture. Nothing in this Agreement shall be deemed or construed to create a relationship of principal and agent between the parties hereto or to evidence or to provide for any partnership, joint venture or other association between such parties.

16. Partial Invalidity. If any provision or provisions hereof or the application thereof to any party or to any person or circumstance shall be held to be invalid, void or illegal, the remaining provisions hereof and the application of such provisions other than those as to which it is held to be invalid, void or illegal, shall nevertheless remain in full force and effect and not be affected thereby.

17. Descriptive Headings. The descriptive headings of the sections hereof are inserted for convenience only and shall not control or affect the meanings or construction of any provisions hereof.

18. Governing Law. This Agreement is entered into in the State of Arizona and shall be governed by and construed under the laws thereof.

19. Counterparts. This Agreement may be executed by the parties hereto in two or more counterparts, all of which shall constitute one and the same instrument.

20. Notices. Any notices and demands required or permitted by this Agreement or by law shall be given in writing addressed to the parties as set forth below, and delivered by (a) hand delivery, or (b) reputable overnight carrier (such as Federal Express, DHL or UPS) for next Business Day receipt by the addressee, or (c) United States mail, registered or certified, postage prepaid, return receipt requested, or (d) fax, evidenced by the machine generated receipt from the sender's device, or (e) email. Notice shall be deemed given upon receipt if sent in accordance with subpart (a) above, or upon the next Business Day if sent in accordance with subpart (b) above, or two Business Days following the date sent if sent in accordance with subpart (c) above, or as of the machine-stamped date and time on the sent message if sent by in accordance with subpart (d) or (e) above so long as notice is also sent by at least one of the other methods provided above.

If to TLC:

Aidan Berry  
True Life Communities, LLC  
2555 E. Camelback Road, Suite 770  
Phoenix, Arizona 85016

With a copy to: David E. Shein, Esq.  
Chester & Shein, P.C.  
8777 N. Gainey Center Drive, Suite 191  
Scottsdale, Arizona 85258-2106

If to Developer: Pinnacle DevCo, Ltd.  
1750 Railroad Springs Blvd., Suite 10  
Flagstaff, Arizona 86001

With a copy to: Shelton Freeman, Esq.  
Freeman Law PLLC  
6909 E. Main Street  
Scottsdale, Arizona 85251

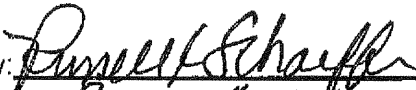
If to Association: Pinnacle Pines Association  
408 N. Kendrick, Suite 2B  
Flagstaff, Arizona 86001

***[Signature page follows]***

DATED as of the Effective Date, by:

**TLC:**

TLC PC LAND INVESTORS LLC, an Arizona  
limited liability company

By:   
Name: RUSSELL K. SCHAEFFER  
Title: AUTHORIZED SIGNATORY

**ASSOCIATION:**

PINNACLE PINES COMMUNITY  
ASSOCIATION,  
an Arizona non-profit corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**DEVELOPER:**

PINNACLE DEVCO, LTD., an  
Arizona corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

- Exhibit A - Legal Description - TLC Property
- Exhibit B - Legal Description - Association Property
- Exhibit C - Legal Description - TLC Roadway Property
- Exhibit D - Legal Description - Association Roadway Property

DATED as of the Effective Date, by:


**TLC:**

TLC PC LAND INVESTORS LLC, an Arizona  
limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

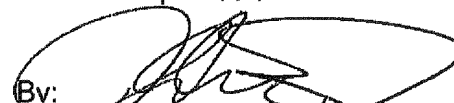
**ASSOCIATION:**

PINNACLE PINES COMMUNITY  
ASSOCIATION,  
an Arizona non-profit corporation

By:  \_\_\_\_\_  
Name: Berni Kibben  
Title: PRESIDENT

**DEVELOPER:**

PINNACLE DEVCO, LTD., an  
Arizona corporation

By:  \_\_\_\_\_  
Name: JEREMY ABBOTT  
Title: OWNER

- Exhibit A - Legal Description - TLC Property
- Exhibit B - Legal Description - Association Property
- Exhibit C - Legal Description - TLC Roadway Property
- Exhibit D - Legal Description - Association Roadway Property

STATE OF California )  
County of Contra Costa ) ss.

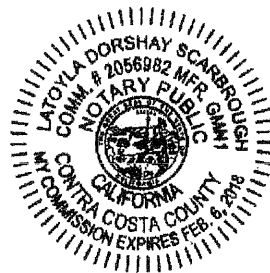
The foregoing instrument was acknowledged before me this 21<sup>st</sup> day of February, 2014, by Russell K. Schaeffer, the Authorized Signatory of TLC PC LAND INVESTORS LLC, an Arizona limited liability company, on behalf of the limited liability company.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Latoyla Dorshay Scarbrough  
Notary Public

My commission expires:

February 6, 2018



STATE OF \_\_\_\_\_ )  
County of \_\_\_\_\_ ) ss.

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2014, by \_\_\_\_\_, the \_\_\_\_\_ of PINNACLE PINES COMMUNITY ASSOCIATION, an Arizona non-profit corporation, on behalf of the corporation.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

\_\_\_\_\_  
Notary Public

My commission expires:

\_\_\_\_\_

STATE OF \_\_\_\_\_ )  
 ) ss.  
County of \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2014, by \_\_\_\_\_, the \_\_\_\_\_ of TLC PC LAND INVESTORS LLC, an Arizona limited liability company, on behalf of the limited liability company.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

\_\_\_\_\_  
Notary Public

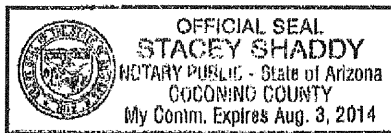
My commission expires:

\_\_\_\_\_

STATE OF Arizona )  
 ) ss.  
County of Cocconino )

The foregoing instrument was acknowledged before me this 14<sup>th</sup> day of March, 2014, by Brian Khoton, the President of PINNACLE PINES COMMUNITY ASSOCIATION, an Arizona non-profit corporation, on behalf of the corporation.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.



Stacey Shaddy  
Notary Public

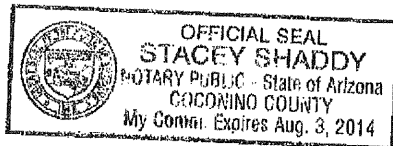
My commission expires:

8/3/2014

STATE OF Arizona )  
County of Cocconino ) ss.

The foregoing instrument was acknowledged before me this 4th day of March, 2014, by Jeremy Abbott, the owner of PINNACLE DEVCO, LTD., an Arizona corporation, on behalf of the corporation.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.



Stacey Shaddy  
Notary Public

My commission expires:

8/3/2014

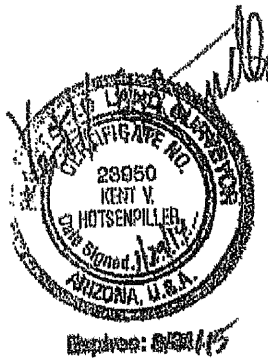
Exhibit A  
(Legal Description – TLC Property)



EXHIBIT A

The following is a description of a parcel of land, Tract 22 of The Estates at Pine Canyon Unit One, a subdivision of record, Case 8 Map 92, Coconino County Records, situate in the NW¼ of section 34, Township 21 North, Range 7 East, G. & S.R.M., Flagstaff, Coconino County, Arizona being more particularly described as follows:

Tract 22 of The Estates at Pine Canyon Unit One



**Mogollon Engineering and Surveying, Inc.**

411 W. Santa Fe Ave. Flagstaff, AZ 86001-P.O.-Box 1952 Flagstaff, AZ 86002-mogollon99@aol.com- 928-214-0214

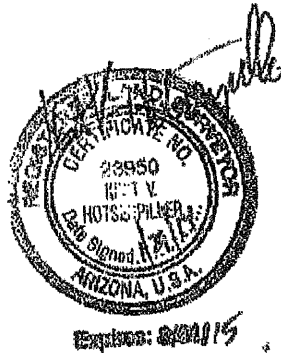
**Exhibit B**

**(Legal Description – Association Property)**

EXHIBIT B

The following is a description of a parcel of land, Tract 7 of Pinnacle Pines Unit 1, a subdivision of record, Case 9 Map 78, Coconino County Records, situate in the NE¼ of section 33, Township 21 North, Range 7 East, G.& S.R.M., Flagstaff, Coconino County, Arizona being more particularly described as follows:

Tract 7 of Pinnacle Pines Unit 1



**Mogollon Engineering and Surveying, Inc.**

411 W. Santa Fe Ave. Flagstaff, AZ 86001- P.O.-Box 1952 Flagstaff, AZ 86002-mogollon99@aol.com- 928-214-0214

Exhibit C

(Legal Description – TLC Roadway Property)

EXHIBIT C

The following is a description of a parcel of land, being a portion of Tract 22 of The Estates at Pine Canyon Unit One, a subdivision of record, Case 8 Map 92, Coconino County Records, situate in the NW¼ of section 34, Township 21 North, Range 7 East, G.& S.R.M., Flagstaff, Coconino County, Arizona being more particularly described as follows:

Beginning at the N1/16 corner of sections 33 and 34, a found BLM brass cap and which is the southeasterly corner of Pinnacle Pines Unit 1, a subdivision of record, Case 9 Page 78 (Ins. 3331864) Coconino County Records;

Thence North 00°12'00" East (Basis of Bearing) along the west line of said section 34 a distance of 52.81 feet;

Thence South 89°48'00" East a distance of 5.04 feet to the beginning of a non-tangent curve concave to the east, south, and west, having a radius of 54.00 feet and to which a radial line bears North 64°51'08" West;

Thence northeasterly easterly, southerly and southwesterly 218.39 feet along said curve through a central angle of 231°42'53" to a point a reverse curvature having a radius of 14.50 feet;

Thence southwesterly 20.88 feet along said curve through a central angle of 82°30'43" to a point of compound curvature having a radius of 72.50 feet;

Thence southeasterly 76.40 feet along said curve through a central angle of 60°22'54";

Thence South 66°01'52" East a distance of 66.39 feet to a point on the west Right-of-Way line of J.W. Powell Blvd.;

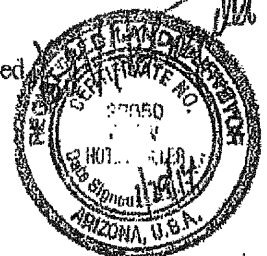
Thence South 23°58'09" West along said Right-of-Way a distance of 55.00 feet;

Thence North 66°01'52" West a distance of 67.69 feet to a point which is the beginning of a curve, concave to the northeast having a radius of 125.50 feet;

Thence northerly along said curve a length of 138.29 feet through a central angle of 63°08'04" to a point on the west line of said section 34;

Thence North 00°04'14" West along the west line of said section 34 a distance of 38.79 feet to the True Point of Beginning.

Said parcel of land contains 20,271 sq. ft. of land more or less as shown on attached Exhibit C-1 which by this reference is made a part hereof.



**Mogollon Engineering and Surveying, Inc.**

411 W. Santa Fe Ave. Flagstaff, AZ 86001- P.O.-Box 1952 Flagstaff, AZ 86002-mogollon99@aol.com- 928-214-0214

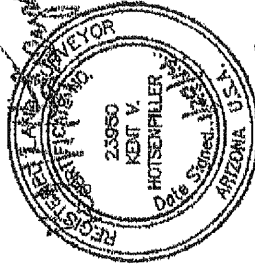
Expire: 6/30/15

**PROPOSED RIGHT-OF-WAY**

A PORTION OF  
**TRACT 22**

OF  
**THE ESTATES AT PINE  
CANYON UNIT 1**

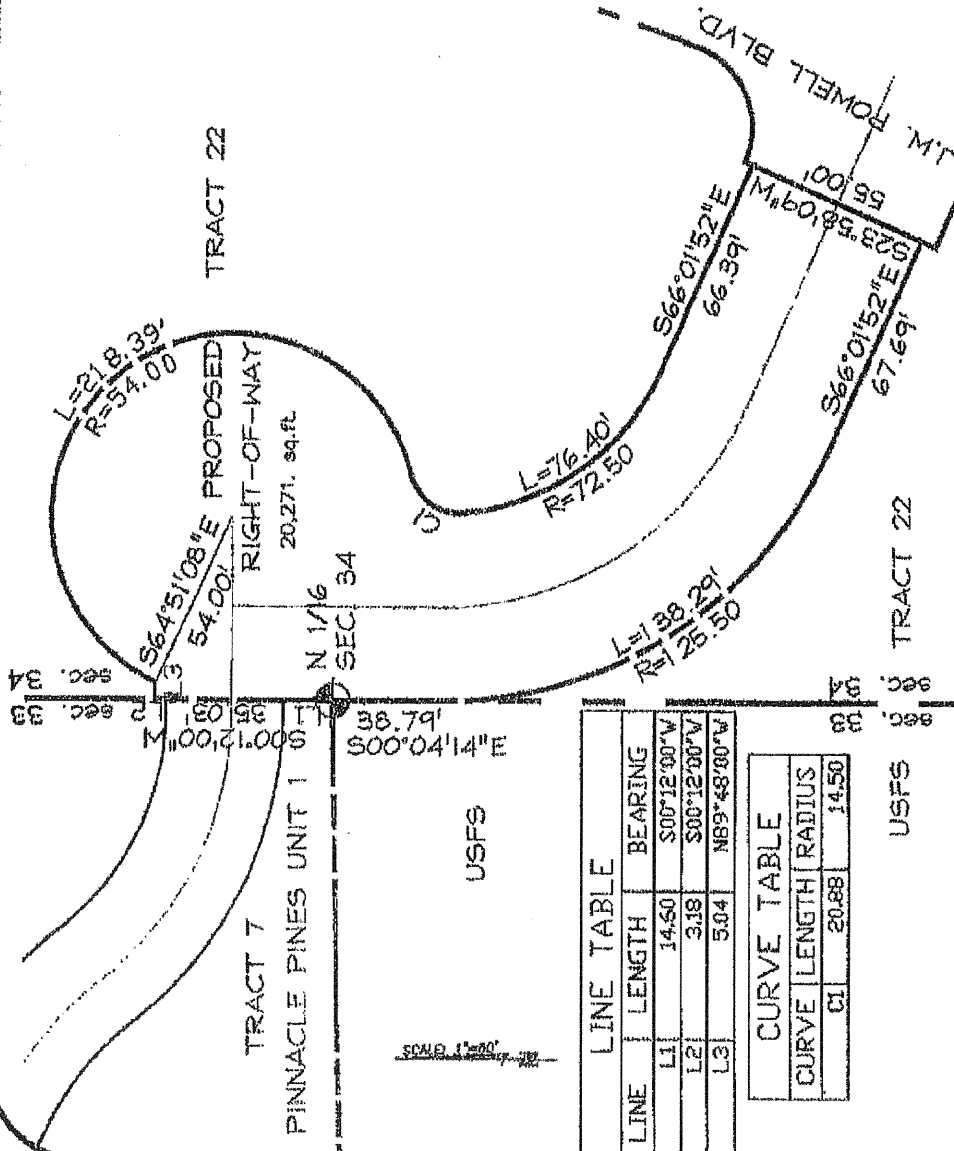
CASE 8 MAP 92, COCONINO  
COUNTY RECORDS LOCATED IN  
THE NW1/4 SECTION 34, T 21 N,  
R 7 E, FLAGSTAFF, COCONINO  
COUNTY, ARIZONA



Expires on 3/31/15

Survey was performed in June  
of 2001. Information shown  
hereon is true and correct to  
the best of my knowledge.

**EXHIBIT C-1**  
**PINNACLE PINES ACCESS**  
**RIGHT-OF-WAY DEDICATION**



LINE TABLE		
LINE	LENGTH	BEARING
L1	14.60	S00°12'00"W
L2	3.18	S00°12'00"W
L3	5.04	N89°48'00"W

CURVE TABLE		
CURVE	LENGTH	RADIUS
C1	20.88	14.50

**Mogolon**  
ENGINEERING & SURVEYING  
411 N. Santa Fe Avenue, Flagstaff, Az 86001  
P.O. Box 952, Flagstaff, Az 86002  
Phone: 920-264-0214 • Fax: 920-264-0235

HORIZONTAL SCALE: 1"=50'  
VERTICAL SCALE:  
DESIGNED/DRAWN BY: KVH  
PROJECT NO. 13031  
DATE: 1/27/14

Exhibit D

(Legal Description – Association Roadway Property)

EXHIBIT D

The following is a description of a parcel of land, being a portion of Tract 7 of Pinnacle Pines Unit 1, a subdivision of record, Case 9 Map 78, Coconino County Records, situate in the NE¼ of section 33, Township 21 North, Range 7 East, G.& S.R.M., Flagstaff, Coconino County, Arizona being more particularly described as follows:

Commence at the N1/16 corner of sections 33 and 34, a found BLM brass cap and which is the southeasterly corner of Pinnacle Pines Unit 1, a subdivision of record, Case 9 Page 78 (Ins. 3331864) Coconino County Records; thence North 00°12'00" East (Basis of Bearing) along the east line of said section 33 a distance of 14.60 feet to the True Point of Beginning;

Thence continue North 00°12'00" East along the east line of said section 33 a distance of 35.03 feet to the beginning of a non-tangent curve concave to the north, having a radius of 80.50 feet and to which a radial line bears South 02°32'29" East;

Thence northwesterly 77.11 feet along said curve through a central angle of 54°53'00" to a point a reverse curvature having a radius of 119.50 feet;

Thence northwesterly 51.54 feet along said curve through a central angle of 24°42'36";

Thence North 62°22'05" West a distance of 48.13 feet to the beginning of a curve, concave to the east having a radius of 11.00 feet;

Thence northwesterly 13.54 feet along said curve through a central angle of 70°31'43" to the beginning of a non-tangent curve, concave to the west, having a radius of 80.50 feet and to which a radial line bears South 81°50'22" East;

Thence southwesterly 45.14 feet through a central angle of 32°07'49" to the beginning of a non-tangent curve concave to the south, having a radius of 15.00 feet and to which a radial line bears North 03°21'38" West;

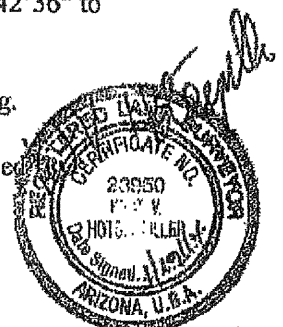
Thence easterly 8.11 feet along said curve through a central angle of 30°59'33";

Thence South 62°22'05" East a distance of 48.13 feet to the beginning of a curve concave to the southwest having a radius of 84.50 feet;

Thence southeasterly 36.44 feet along said curve through a central angle of 24°42'36" to a point of reverse curvature having a radius of 115.50 feet;

Thence southeasterly 108.96 feet along said curve to the True Point of Beginning.

Said parcel of land contains 6,722 sq. ft. of land more or less as shown on attached Exhibit D-1 which by this reference is made a part hereof.



**Mogollon Engineering and Surveying, Inc.**

411 W. Santa Fe Ave. Flagstaff, AZ 86001 - P.O. Box 1952 Flagstaff, AZ 86002-mogollon99@aol.com- 928-214-0214 Expires: 03/31/15



